

## Testimony

March 3<sup>rd</sup>, 2015

Joint Hearing of the Senate Environmental Resources and Energy Committee

North Office Building Hearing Room 1

Harrisburg

Senator and Chairman Yaw, Senator and Chairman Hutchinson, and members of your committees. I am Alan Hall, Chairman of the Susquehanna County Commissioners. As you may be aware Susquehanna County is the extreme northern County in Pennsylvania on the Interstate highway I81, bordering Upstate New York.

The passage of the Act 13 Legislation has had a huge impact on Susquehanna County. It has allowed our communities and County the ability to address some of the impacts that have occurred due to the Natural Gas activity in the County.

The positives from the Industry include but not limited to: A new Hospital in Susquehanna County due to the support from the gas companies. Unemployment rates at an all-time low of fewer than 5 percent. Companies have contributed to the local college, and have played a role in the expansion of that College. They have also provided many contributions to several schools throughout the communities, when funding was limited from the State. With the increase in the need for rentals, the industry has forced much needed housing projects throughout the County. Municipalities and the County have used funds to improve bridges, sewer systems, roads, parks, and equipment to name a few. It has also allowed the entities the ability to free up other revenue streams to improve facilities, reduce debt, and prepare our communities for the future.

The County is also going through the growth of infrastructure in the communities. The distribution system of Natural Gas has begun in our

communities giving homeowners and businesses an opportunity for energy savings. The County Courthouse and Office building is being converted to Natural Gas to provide heat. The Courthouse was heated with a 110 year old coal fired boiler and an oil fired boiler the size of medium size package truck. The coal boiler we had to physically shovel coal into the unit by hand. These changes are providing an energy efficient, clean and healthier environment to the employees and a cost savings to the tax payers. The County has also passed tax reductions onto the taxpayers of the County.

Without the impact fees the County, municipalities, and townships would be in serious trouble. The municipalities and townships have to maintain their roads, and a large amount of these roads are dirt and very small paved roads. With all the increased truck traffic it has forced many to hire additional manpower as well as purchase equipment to repair the roads. A new grader for the townships can cost close to \$400,000. Combine that with trucks costing close to \$100,000. Our roads are very unique due to the heavy traffic and heavy loads combined with the extreme weather. Currently we have reports from the water companies that the ground is frozen between 4 to 6 feet deep damaging many water lines. We also have the impacts of noise, air quality, and some water issues. Interstate 81 which was resurfaced last year now has sections that are the worst in the state. Due to low population, the funding from the State for Susquehanna County for road and bridge repairs does not cover the needs.

In addition we need to be aware of all the other tax revenues this has been created with this industry. The fuel tax received from the hundreds of gallons of fuel for each of the hundreds of trucks operating daily. The sales tax from all the goods purchased for the industry directly and from the Royalties from the land owners. The employment taxes from all the employees working directly and indirectly in the industry. Are you willing to risk the loss of all this revenue over a change in the tax structure? Also how are you going to protect the property owners from the industry passing this tax onto them?

Don't interpret this that I'm against funding our schools. I was a school board director for close to 15 years and the board President for 11 years. Our

schools do need adequate funding to provide quality education. However, the pension crisis has created a high financial distress to the schools operating budget. Resolving that would eliminate the high contribution rates the schools are paying which in turn would free up operating revenue. Whatever decision you move forward with let's make sure there is a plan which reviews all the impacts of the decision short term and long term.

The loss of the Act 13 funding would mean deteriorating conditions throughout the County with roads, bridges, infrastructure, lost jobs, and large tax increases throughout. Dealing with all the impacts without the funding will cripple our communities.

I thank you for the privilege to provide this testimony to you.

Alan M. Hall

Chairman Susquehanna County Commissioners